

# P2P transaction value growth will rapidly outpace user growth

Article

**The trend:** It's getting harder for apps to grow their user bases.

- We forecast 169.6 million US consumers will use a mobile P2P payment app this year—that's 68.1% of smartphone users.

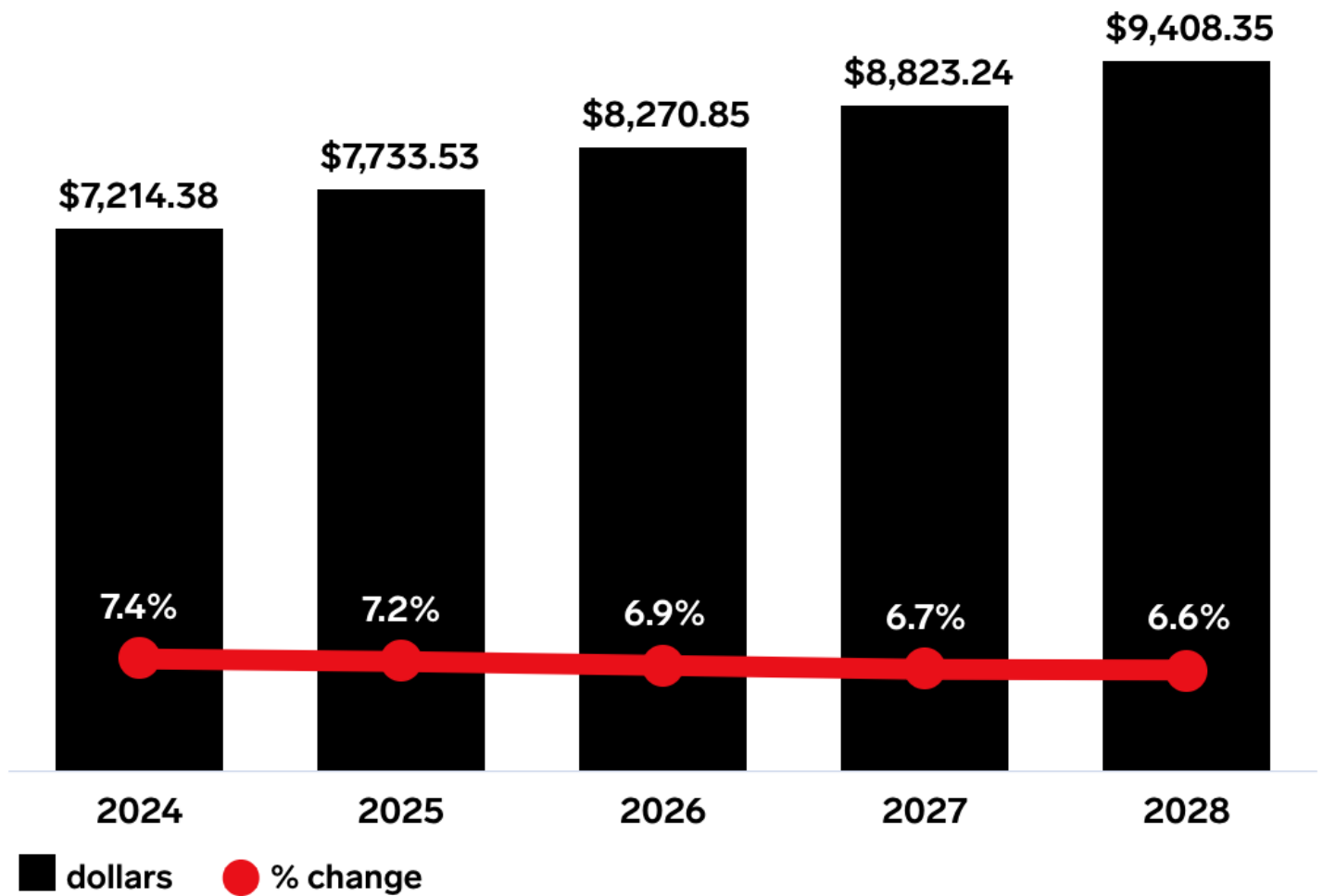
- By 2028, nearly three-quarters will use these apps. Amid high penetration, user growth will slow from a 6.7% increase in 2024 to just 2.9% in 2028.

But those users are transacting more.

- The average P2P app user will send \$7,214.38 in 2024, or roughly \$600 a month (excluding consumer-to-business transactions). By 2028, that total will surge to \$9,408.35.
- Growth in annual spending per user is outpacing both user growth and inflation this year as network effects kick in and consumers start using P2P apps to pay each other back for group purchases larger than dinners or bar tabs—like Airbnb trips, apartment furniture, and bills like rent and utilities. P2P spend per user will still be growing at a strong 6.6% clip by 2028, per our forecast.

## Mobile P2P Payment Spending, per User

US, 2024-2028



Note: average annual spending among mobile peer-to-peer (P2P) payment users ages 14+; the value of P2P transactions made by using mobile phones as a payment method

Source: EMARKETER Forecast, March 2024

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Gen Z is closing the P2P gap with millennials.

- Millennials have had the strongest P2P adoption of any generation for more than a decade. This year, 80.0% of millennial smartphone users will send P2P transactions, per our forecast.
- But as Gen Z enters adulthood, their P2P payment app use is exploding. This year, there will be 16.6 million more millennial P2P users than Gen Z users—but their lead will shrink to just 2.4

million by 2028.

**Key takeaways:** P2P apps are running out of time to capitalize on that growth.

- The share of Gen Z smartphone users who have sent P2P app payments will surge from 48.1% last year to 83.0% by 2028. Despite that explosive increase, annual growth will slow to just 6.0% by the end of our forecast period.
- The time for apps to hone their Gen Z marketing strategy has passed. If they're not thinking about how to attract Gen Alpha, they're already behind.

Report by Tyler Van Dyke May 28, 2024

## US Mobile P2P Payments Forecast 2024

